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MAJOR REPORTS ON AUSTRALIA'S ENERGY FUTURE

The release today of two reports by the Energy Security Board (ESB) and the Australian Energy Market Commission (AEMC) into the future of the National Electricity Market has been welcomed by Energy Networks Australia.

The ESB Post-2025 Market Design Consultation Paper and the AEMC report on the Coordination of Generation and Transmission Investment (COGATI) are important inputs to help guide the sector's transformation.

"The future energy sector will not be able to operate using current rules and frameworks; it is the time to think ahead for change," Mr Dillon said.

"The ESB is taking a coordinated look at how the energy market would operate post-2025 when distributed energy resources and renewable generation will have disrupted traditional wholesale markets.

"Future markets will be built on a transmission superhighway with better connections between and across states, as well as local distribution grids that are fast becoming the platforms to allow greater participation from customers."

Mr Dillon said smarter pricing signals would be important to ensuring higher levels of distributed energy resources could be integrated into the system while keeping costs as low as possible for all customers.

"Many significant reforms are contemplated in these documents and some - like pricing reforms - should proceed," he said.

"However, it's absolutely critical that realistic cost-benefit analyses are undertaken to ensure the reforms that go ahead - and that customers end up paying for - deliver real value.

"In recent times, we have seen examples where either the costs (five-minute settlement) or the benefits (metering competition) have not been good news for customers.

"Governments and regulators also have major roles to play. Avoiding unnecessary interventions and ensuring investible frameworks with reasonable returns are key to unlocking the many billions of dollars of private investment the sector needs over the coming decades."

Energy networks look forward to working with the ESB and the AEMC on these critical reforms.

For a web version of this media release, [click here](#).

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Energy Networks Australia is the national industry body representing Australia's electricity transmission and distribution and gas distribution networks. Our members provide more than 16 million electricity and gas connections to almost every home and business across Australia.